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FREDERICK M. BARON RUSSELL W. BUDD BRENT M. BOSENTHAL LISA A. BLUE, Ph.D. MARY E. SKELNIK STEVEN D. WOLENS MELISSA K. HUTTS STEVE BAUGHMAN JENSEN ALLEN M. STEWART RICHARD I. NEMEROFF LISA R. KIVETT LEANNE JACKSON LAURA BAUGHMAN LAURIE J. MEGGESIN LADD R. GIBKE ALAN B. RICH ELLEN A. PRESBY SCOTT SUMMY

MISTY A. FARRIS

KEVIN D. McHARGUE

JAMES D. PIEL S. ANN SAUCER LANCE A. POOL

SPECIAL COUNSEL

DIANE M. ANDREW*
SAM T. RICHARD
CHRISTINA E. MANCUSO
SCOTT MORRISON
WESLEY K. YOUNG
STEPHEN C. JOHNSTON
WILLIAM K. TAPSCOTT, JR.
ASHLEY HIGGINS JETER
BEN K. DUBOSE
AMY J. SHAHAN
TAERI IM OH
ANN TUTOKY HARPER
CAREN LOCK HANSON

A PROFESSIONAL CORPORATION ATTORNEYS AND COUNSELORS SUITE 1100 3102 OAK LAWN AVENUE DALLAS, TEXAS 75219-4281 (214) 521-3605

TELECOPIER (214) 520-1181

March 12, 2004

*LAWRENCE G. GETTYS ALICIA D. BUTLER *PATRICK O'NEAL ANDREA S. BOURNE VIRGINIA L. ADAMS JOYCELL M. HOLLINS MARTY A. MORRIS LAURA M. CABUTTO SCOTT R. FRIELING THOMAS M. SIMS JOHN J. SPILLANE NATALIE E DUNCAN MONTY WADE SULLIVAN AMY M CARTER FRANK E. GOODRICH CARLA M. BURKE SCOTT L. FROST TIFFANY NEWLIN JACQUELINE MONTEJANO JULIANNE J. MAERSCHEL

BRIAN P. MIN REY FERNÁNDEZ EDMOND L. MARTIN DONNA J. BLEVINS STEPHANIE N. BROOKS DAVID T. RITTER CHRIS J. PANATIER J. KAMA DAVIS RENÉE MELANÇON *THERESA L. NELSON D. CARL MONEY CELESTE A. EVANGELISTI CHAD R. COTTEN BRIAN K. PEACOCK BRIE D. SHERWIN BRIAN M. BOUFFARD MONICA WALTERS SHAWN E. RAVER *LICENSED IN STATES OTHER THAN TEXAS

NOTICE OF VIOLATION OF PROPOSITION 65, CALIFORNIA HEALTH & SAFETY CODE SECTION 25249.5.

To: Bill Lockyer, Attorney General for the State of California Bonnie M. Dumanis, San Diego County District Attorney

Casey Gwinn, San Diego City Attorney

The Chairman and Chief Executive Officers of Texaco Refining & Marketing, Inc., Equilon Enterprises, LLC, Shell Oil Company, Shell California Pipeline Company, Shell Oil Products Company, LLC, and Shell Pipeline Company L.P. (hereinafter collectively referred to as "Shell").

RE: Violations of Proposition 65: Discharge of Listed Chemicals into a Source of Drinking Water in and around SHELL'S Operations

This 60-day Notice alerts you to violations of Proposition 65, the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code Section 25249.5. Members of the noticing party include Communities for a Better Environment ("CBE") and Nicole McAdam, an individual (hereinafter collectively referred to as "noticing party"). CBE is an environmental health and justice 501(c)(3) nonprofit organization. CBE has offices in Huntington Park and Oakland, California. With over 20,000 members statewide, CBE has worked effectively throughout California to prevent and reduce pollution and pledges to cooperate with public prosecutors in this matter to ensure that the violations discussed herein are remedied. CBE and its attorneys have extensive experience in prosecuting violators of Proposition 65.

The noticing party intends to bring suit sixty days hereafter to correct these violations, pursuant to Health & Safety Code Section 25249.7(d). The public prosecutors may also do so within the next sixty (60)-days pursuant to Health & Safety Code Section 25249.7(c).

Chemicals Discharged

The specific violations alleged here are past and ongoing discharges or releases of Benzene, CAS Number 71432 and Toluene, CAS Number 108883. Benzene and Toluene are chemicals

known by the State of California to cause cancer or reproductive toxicity. 22 California Code of Regulations Section 12000. Benzene has been listed as a human carcinogen or reproductive toxin under Proposition 65 since February 27, 1987. Likewise, Toluene has been listed as a human carcinogen or reproductive toxin since January 1, 1991.

Identities of Violators

The persons who in the course of doing business have committed the violations alleged herein are the employees, officers and directors of Shell ("Violator"). Shell has been sent a copy of this 60-day Notice through Federal Express mail (as noted) and/or certified mail, return receipt requested to the addresses and persons listed at the end of this letter.

Location of Source of Drinking Water

The violator named herein has knowingly discharged or released each of the chemicals listed above into water or onto or into land where each chemical has passed, currently passes, or will probably pass into a source, or potential source, of drinking water under and around the facilities listed in Attachment 1 attached hereto.

The discharging and/or releasing of chemicals include, but are not limited to, the leaching of chemicals listed herein into water or onto or into land where each chemical has passed, currently passes, or will probably pass into a source, or potential source, of drinking water. These discharges and releases have occurred and are occurring through the leaching of chemicals as a result of direct releases from underground storage tanks, and/or gasoline storage, transfer, delivery, and dispensing systems (hereinafter "USTs" or "gasoline systems") into and onto soil and subsurface groundwater surrounding the above-mentioned facilities. These releases from the USTs and gasoline systems enter into surrounding groundwater and soil and migrate toward actual and potential sources of drinking water. Listed chemical discharges also occur through storm water run-off from the facilities.

A "source of drinking water" means either a present source of drinking water or water that is identified in a water quality control plan as being suitable for domestic or municipal uses. Health & Safety Code Section 25249.11(d).

The groundwater under and around the facilities has been used for domestic and/or municipal purposes and/or has been designated as a potential source of drinking water. The subsurface groundwater into which the violator has and continues to discharge contaminants are potential sources of drinking water, and/or are tributaries to potential sources of drinking water.

Therefore, the violator here named has discharged or released the chemicals here named into water or onto or into land where such chemicals have passed, are passing, and/or will probably pass into a source of drinking water. The violator named herein has violated, is violating, and currently threatens to violate Health & Safety Code Section 25249.5 within the meaning of Section 25249.5 and Section 25249.11(e).

Approximate Time Period of Violations

The violator has discharged the chemicals listed above in the manner described herein continuously since approximately December 1994. Such violations have been ongoing since that time.

Each and every day during which the violator has discharged or released the chemicals named herein into the groundwater and/or surface water under and around the listed facilities constitutes a separate violation of Health & Safety Code Section 25249.5, and each chemical released or discharged constitutes a separate violation for each day on which each chemical was released or discharged.

Knowing Discharge of Chemicals

The violator named herein has known of its discharges or releases of the chemicals listed above. Therefore, the violations here described have been knowing on the part of the violator.

Identity of Noticing Party

The name, address, and telephone number of the noticing party is as follows:

Scott Summy, Esq.
Laura Baughman, Esq
Renée Melançon, Esq.
Baron & Budd, P.C.
3102 Oak Lawn Avenue, Suite 1100
Dallas, TX 75219
(214) 521-3605 & (800) 222-2766

Other responsible individuals representing CBE and Nicole McAdam are:

Scott Kuhn, Esq. Communities for a Better Environment 5610 Pacific Boulevard, Suite 203 Huntington Park, CA 90255 (323) 826-9771

Edward L. Masry, Esq. Nancy Eichler, Esq. Law Offices of Masry & Vititoe 5707 Corsa Avenue, 2nd Floor Westlake Village, CA 91362

> Walter P. Lack, Esq. Brian Leinbach, Esq. Engstrom, Lipscomb & Lack, P.C. 10100 Santa Monica Blvd., 16th Floor Los Angeles, CA 90067

The noticing party would appreciate receiving prompt notification from you as to whether you will pursue action under Health & Safety code Section 25249.7(c) so that we may make our decisions under Health & Safety Code Section 25249.7(d). We pledge to cooperate with you in this matter and look forward to hearing from you in the near future. If you have any questions or desire any further information, please contact one of the attorneys listed above at Baron & Budd, P.C., (214) 521-3605 or (800) 222-2766.

With this letter, noticing party gives notice of the alleged violations by your facilities to the Attorney General of California, the District Attorney for the County of San Diego, the San Diego City Attorney, and to the Chairman and Chief Executive Officers of Texaco Refining & Marketing, Inc., Equilon Enterprises, LLC, Shell Oil Company, Shell California Pipeline Company, Shell Oil Products Company, LLC, Shell Pipeline Company L.P., their parents, subsidiaries, affiliates, and/or divisions via service of their attorneys of record. This notice covers all violations of the Act that are known to Plaintiffs from public records now available to us. When filed, this suit may also address such other violations as may occur or become apparent after service of this notice letter.

Enclosures: Appendix A: The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary.

Attachment 1: List of sites noticed for violation of Proposition 65

cc: (Via First Class Certified Mail, Return Receipt Requested and First Class Mail as noted)

Bill Lockyer, Esq. (Via First Class Certified Mail, Return Receipt Requested)
California Attorney General
Prop 65 Coordinator
1515 Clay Street
Oakland, CA 94612

Bonnie M. Dumanis (Via First Class Certified Mail, Return Receipt Requested)
San Diego County District Attorney
Hall of Justice
330 W. Broadway, Suite 320
San Diego, CA 92101

Casey Gwinn, Esq. (Via First Class Certified Mail, Return Receipt Requested)
Office of the City Attorney
Civic Center Plaza
1200 3rd Avenue, Suite 1620
San Diego, CA 92101

Michael R. Leslie, Esq. (Via First Class Certified Mail, Return Receipt Requested) Caldwell, Leslie, Newcombe & Pettit, P.C. 1000 Wilshire Blvd., Suite 600 Los Angeles, California 90017-2463

Edward L. Masry, Esq. (Via First Class Mail) Nancy Eichler, Esq. Law Offices of Masry & Vititoe 5707 Corsa Avenue, 2nd Floor Westlake Village, CA 91362

Walter P. Lack, Esq. (Via First Class Mail) Brian Leinbach, Esq. Engstrom, Lipscomb & Lack, P.C. 10100 Santa Monica Blvd., 16th Floor Los Angeles, CA 90067

Scott Kuhn, Esq. (Via First Class Mail) Communities for a Better Environment 5610 Pacific Boulevard, Suite 203 Huntington Park, CA 90255

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1574 E VALLEY PARKWAY / N ROSE STREET ESCONDIDO
105 EAST VIA RANCHO PKY ESCONDIDO
780 WEST EL NORTE PKWY ESCONDIDO
312 SOUTH MAIN ST FALLBROOK
936 MISSION ROAD FALLBROOK
1205 MAIN ST FALLBROOK
4925 SPRING STREET LA MESA
5151 NORTH 70TH STREET LA MESA
6085 LAKE MURRAY BLVD / EL PASO STREET LA MESA
3810 MASSACHUSETTS LA MESA
5261 BALTIMORE DRIVE LA MESA
9090 DALLAS STREET LA MESA
5302 LAKE MURRAY BLVD LA MESA
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2830 GRAND AVENUE	SAN DIEGO
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3105 FAIRMOUNT AVENUE	SAN DIEGO
3425 MIDWAY	SAN DIEGO
3690 MURPHY CANYON ROAD	SAN DIEGO
3711 EL CAMINO DEL RIO WEST	SAN DIEGO
3861 VALLEY CENTER DRIVE	SAN DIEGO
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9205 TWIN TRAILS DRIVE	SAN DIEGO
9510 SCRANTON ROAD	SAN DIEGO
9840 MIRAMAR RD	SAN DIEGO
1313 ROSECRANS STREET	SAN DIEGO
12472 RANCHO BERNARDO ROAD / POMERADO RD.	SAN DIEGO
1885 GARNET AVENUE / LAMONT	SAN DIEGO
1930 ROSECRANS / QUIMBY	SAN DIEGO
2777 HEALTH CENTER DRIVE	SAN DIEGO
3302 PALM AVENUE / BEYER AVENUE	SAN DIEGO
3901 CLAIREMONT / BALBOA	SAN DIEGO
3918 GOVERNOR DRIVE / GENESEE AVENUE	SAN DIEGO
4504 CLAIREMONT MESA BL / GENESEE AVENUE	SAN DIEGO
9799 MIRAMAR ROAD / KEARNY MESA ROAD	SAN DIEGO
6585 MISSION GORGE /ZION	SAN DIEGO
4303 GENESEE AVE/MT. ETNA	SAN DIEGO
330 WASHINGTON STREET	SAN DIEGO
7647 BALBOA	SAN DIEGO
2521 PACIFIC HIGHWAY	SAN DIEGO
1330 MORENA BLVD	SAN DIEGO
3015 DEL MAR HEIGHTS ROAD	SAN DIEGO
4201 WEST PT LOMA BOULEVARD	SAN DIEGO
5401 UNIVERSITY	SAN DIEGO
5465 MISSION CENTER ROAD	SAN DIEGO

6125 BALBOA AVENUE	SAN DIEGO
7785 CLAIREMONT MESA BLVD	SAN DIEGO
8920 MIRAMAR ROAD	SAN DIEGO
1102 HOLLISTER	SAN DIEGO
679 SAN MARCOS BOULEVARD	SAN MARCOS
800 S RANCHO SANTA FE RD	SAN MARCOS
105 S RANCHO SANTA FE ROAD / DESCANSO AVE.	SAN MARCOS
2835 SWEETWATER ROAD	SPRING VALLEY
400 SYCAMORE DR	VISTA
145 EMERALD DRIVE	VISTA
210 SOUTH MELROSE	VISTA